

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKETING DEPARTMENT

NOTICE OF FILING AND HEARING

DOCKET NO. 2004-357 –WS

CAROLINA WATER SERVICE, INC. – APPLICATION FOR ADJUSTMENT OF RATES AND CHARGES AND MODIFICATION OF CERTAIN TERMS AND CONDITIONS FOR THE PROVISION OF WATER AND SEWER SERVICE.

Carolina Water Service, Inc. (CWS or the Company) has filed an Application with the Public Service Commission of South Carolina (the Commission) for an adjustment of the Company's rates and charges and modification of certain terms and conditions for the provision of water and sewer service. CWS is a public utility, as defined by S.C. Code Ann. §58-5-10(3) (Supp. 2004), providing water and sewer service to the public for compensation in certain areas of South Carolina pursuant to rates approved by the Commission in Docket No. 2000-207-W/S.

Pursuant to S.C. Code Ann. §58-5-240 (Supp. 2004) and 26 S.C. Code Ann. Regs. 103-712.4.A and 103-512.4.A (Supp. 2004), the Company requests that the Commission approve an increase in its monthly water and sewer service charges as set forth in the Application. Also, pursuant to 26 S.C. Code Ann. Regs. 103-503 and 103-703, CWS proposed a modification to the terms and conditions under which a tenant will be billed for water and sewer services to comport with current S.C. Code Ann. §27-33-50 (Supp. 2004). Additionally, the Company proposes to add language requiring its customers to conduct cross connection testing and to add a charge for same if such inspections are undertaken by the Company to meet the requirements of 24A S.C. Code Ann. Regs. 61-58.7.F.8.

In support of its requests for an adjustment in the Company's water and sewer rates, CWS asserts, among other things, that the proposed water and sewer rate increases are necessary in order that it may provide reasonable and adequate service to its customers. CWS states that the rates proposed are necessary to comply with standards and regulations set by the Department of Health and Environmental Control and other governmental agencies which regulate the environmental aspect of the Company's business. Additionally, according to CWS' Application, the proposed rates are necessary to enable it to earn a reasonable return on its investment and to attract capital for future improvements.

THE PROPOSED CHANGES IN THE RATES AND CHARGES ARE ATTACHED
(The complete rate schedule is available from the Company at the address below and on the
Commission's website at www.psc.state.sc.us

THE PROPOSED CHANGES IN THE RATES AND CHARGES ARE AS FOLLOWS:

WATER			
1.	Monthly Charges	Current	Proposed
	<u>Residential</u>		
	Basic Facilities Charge	\$10.00 per unit	\$10.25 per unit
	Commodity Charge	\$3.24 per 1,000 gallons or 134 cft	\$3.32 per 1,000 gallons or 134 cft
	<u>Commercial</u>		
	Base Facilities Charge		
	By Meter Size		
	5/8" meter	\$10.00	\$10.25
	1" meter	\$25.00	\$25.62

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1.5" meter	\$50.00	\$51.25
2" meter	\$80.00	\$82.00
3" meter	\$160.00	\$164.00
4" meter	\$250.00	\$256.25
Commodity Charge	\$3.24 per 1,000 gallons or 134 cft	\$3.32 per 1,000 gallons or 134 cft

Charge for Water Distribution Only
Residential

Basic Facilities Charge	\$10.00 per unit	\$10.25 per unit
Commodity Charge	\$1.85 per 1,000 gallons or 134 cft	\$1.90 per 1,000 gallons or 134 cft

Commercial

Base Facilities Charge
By Meter Size

5/8" meter	\$10.00	\$10.25
1"	\$25.00	\$25.62
1.5"	\$50.00	\$51.25
2"	\$80.00	\$82.00
3"	\$160.00	\$164.00
4"	\$250.00	\$256.25
Commodity Charge:	\$1.85 per 1,000 gallons or 134 cft	\$1.90 per 1,000 gallons or 134 cft

2. **Nonrecurring Charges**

A) Water Service Connection (New connections only)	\$300 per SFE	\$300.00 per SFE
B) Plant Impact Fee (New connections only)	\$400.00 per SFE	\$400.00 per SFE
C) Account Set-Up And Reconnection Charges – All Areas		
a. Customer Account Charge (new customers only) – All Areas	\$13.50	\$13.50
b. Reconnection Charges	\$35.00	\$35.00

THE PROPOSED CHANGES IN THE RATES AND CHARGES ARE AS FOLLOWS:

SEWER

1. Monthly Charges	Current	Proposed
<u>Lincolnshire, I-20, Watergate, Kings Grant and Teal-on-the Ashley areas</u>		
Residential – monthly charge per single-family house, condominium, villa, or apartment unit	\$28.86 per unit	\$40.92 per unit
Mobile Homes – monthly charge	\$21.64 per unit	\$29.20 per unit
Commercial –monthly charge	\$28.86 per SFE	\$40.92 per SFE
<u>All Other Areas Not Listed Above</u>		
Residential – monthly charge per		

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single-family house, condominium, villa, or apartment unit	\$30.33 per unit	\$40.92 per unit
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Mobile Homes	\$22.75 per unit	\$29.20 per unit
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Commercial – monthly charge	\$30.33 per SFE	\$40.92 per SFE
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Charge for Sewer Collection Only (All Areas)

Residential – monthly charge per single-family house, condominium, or apartment unit	\$19.38 per unit	\$26.15 per unit
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Commercial – monthly charge Per single-family equivalent	\$19.38 per SFE	\$26.15 per SFE
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Solid Interceptor Tanks

For all customers receiving sewage collection service through an approved solids interceptor tank, the following additional charges shall apply:

A. Pumping Charge	\$150.00	\$150.00
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2. Nonrecurring Charges

A) Sewer Service Connection (new connections only)	\$300.00 per SFE	\$300.00 per SFE
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B) Plant Impact Fee (new connections only)	\$400.00 per SFE	\$400.00 per SFE
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In order for testimony and evidence to be received from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business Park, 101 Executive Center Dr., Columbia, S.C. on **Wednesday, May 4, 2005 at 10:30 a.m.**

Any person who wishes to testify and present evidence at the hearing should notify, in writing, the Docketing Department and John M. S. Hoefer, Esquire, Willoughby & Hoefer, P.A., Post Office Box 8416, Columbia, South Carolina 29202-8416 on or before **March 3, 2005**, and indicate the amount of time required for the presentation.

Any person who wishes to express their views but is unable or does not desire to appear and testify at the hearing should submit those views to the Docketing Department, in writing, on or before **March 3, 2005**.

Any person who wishes to participate in the hearing, as a Party of Record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure, on or before **March 3, 2005**.

Persons seeking information about the Commission's Procedures should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina
Attn: Docketing Department
Post Office Drawer 11649
Columbia, SC 29211